Case 23-02005-rlj Doc 136 Filed 02/22/24 Entered 02/22/24 16:09:20 Desc Main Document Page 1 of 20

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Counsel for Riley Livestock, Inc.

### IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS AMARILLO DIVISION

IN RE:	Chapter 7
McCLAIN FEED YARD, INC., McCLAIN FARMS, INC., AND 7M CATTLE	CASE NO. 23-20084-rlj
FEEDERS, INC.,	Jointly Administered
Debtors. 1	
RABO AGRIFINANCE LLC,	
Plaintiff,	ADV. PROC. NO. 23-02005-rlj
V.	Honorable Robert L. Jones
ACEY LIVESTOCK, LLC, et al.	Honorable Robert E. Jones
Defendant.	

# <u>DEFENDANT RILEY LIVESTOCK, INC.'S ORIGINAL ANSWER TO PLAINTIFF</u> <u>RABO AGRIFINANCE LLC'S COMPLAINT FOR DECLARATORY RELIEF</u>

TO THE HONORABLE ROBERT L. JONES, U.S. Bankruptcy Judge:

Defendant Riley Livestock, Inc. ("Defendant") hereby files its answer to the Complaint filed by Plaintiff, Rabo Agrifinance LLC ("RAF"), and states:

<sup>&</sup>lt;sup>1</sup> The Debtors in these jointly administered cases are: (1) McClain Feed Yard, Inc. (Case No. 23-20084); (2) McClain Farms, Inc. (Case No. 23-20885); and (3) 7M Cattle Feeders, Inc. (Case No. 23-20886). All three cases are being jointly administered under the case number for McClain Feed Yard, Inc.

### **JURISDICTION, VENUE, AND PARTIES**

- 1. Admitted.
- 2. Admitted.
- 3. Admitted.
- 4. Admitted.
- 5. Admitted.
- 6. Admitted.
- 7. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 8. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 9. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
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  - 99. Admitted.
- 100. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
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- 136. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.

- 137. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 138. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 139. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
  - 140. No admissions or denial is required as to this paragraph.

#### **GENERAL ALLEGATIONS**

- 141. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 142. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 143. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 144. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 145. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 146. Defendant admits that McClain engaged in a multi-million dollar Ponzi and check kiting scheme, but otherwise denies the allegations in this paragraph.
  - 147. Admitted.

- 148. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 149. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 150. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 151. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
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- 155. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 156. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
  - 157. Admitted.
- 158. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
  - 159. Admitted.
  - 160. Admitted.

- 161. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
  - 162. Denied.
  - 163. Denied.
- 164. Defendant admits the allegations as to itself, but otherwise Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
  - 165. No admission or denial is required as to this paragraph.
- 166. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 167. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 168. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 169. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 170. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
  - 171. Denied.
  - 172. Denied.
  - 173. Denied.

## FIRST CAUSE OF ACTION (Declaratory Judgment)

- 174. Defendant incorporates and realleges its responses to each of the paragraphs above, as if fully set forth herein.
  - 175. Admitted.
  - 176. Admitted.
- 177. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
  - 178. Admitted.
- 179. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 180. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
  - 181. Denied.
  - 182. Denied.
  - 183. Denied.
  - 184. Denied.
- 185. Defendant incorporates and realleges its responses to each of the paragraphs above, as if fully set forth herein.
  - 186. Admitted.
- 187. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 188. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.

- 189. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
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- 192. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 193. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
  - 194. Denied.
  - 195. Denied.
  - 196. Admitted.
  - 197. Denied.
  - 198. Denied.
  - 199. Denied.
- 200. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
  - 201. Denied.
  - 202. Denied.

# THIRD CAUSE OF ACTION (Declaratory Judgment)

203. Defendant incorporates and realleges its responses to each of the paragraphs above, as if fully set forth herein.

- 204. Admitted.
- 205. Admitted.
- 206. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 207. Defendant admits that the quoted statute says what it says. Otherwise, the allegations in this paragraph are denied.
- 208. Defendant admits that the quoted statute says what it says. Otherwise, the allegations in this paragraph are denied.
- 209. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 210. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
- 211. Defendant lacks sufficient information either to admit or deny the allegations in this paragraph, and therefore denies the allegations.
  - 212. Denied.

### PRAYER FOR RELIEF

Defendant denies that RAF is entitled to the relief it seeks in this Complaint for Declaratory Relief and prays that RAF take nothing by this lawsuit. Defendant further prays that it be awarded its costs and reasonable attorneys' fees incurred herein.

DATED February 22, 2024.

Respectfully Submitted,

MULLIN HOARD & BROWN, L.L.P. P.O. Box 31656 Amarillo, Texas 79120-1656 Telephone: (806) 372-5050 Facsimile: (806) 372-5086 Email: shoard@mhba.com

/s/ Steven L. Hoard

Steven L. Hoard, SBN: 09736600 *Counsel for Riley Livestock, Inc.* 

### **CERTIFICATE OF SERVICE**

I certify that a true and correct copy of the foregoing Answer was served on all parties who have entered an appearance in this adversary proceeding via ECF on February 22, 2024.

/s/Steven L. Hoard

Steven L. Hoard